97-84091-4

Walker, Guy Morrison

Can the Church be trusted with money?

[New York]

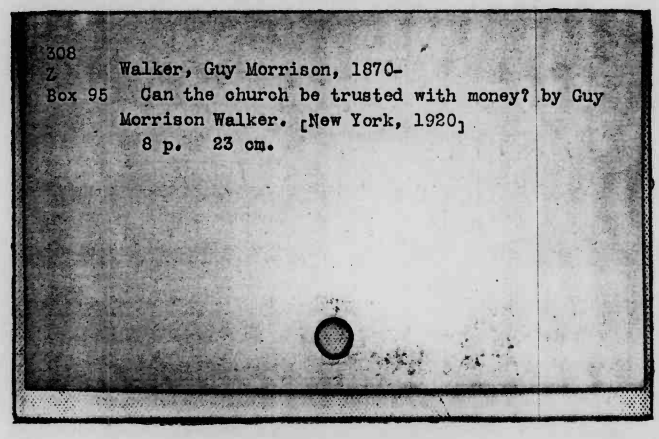
[1920]

97-84091-4
MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD



RESTRICTIONS ON USE: *Reproductions may not be made without permission from Columbia University Libraries.*

TECHNICAL MICROFORM DATA

FILM SIZE: 35mm REDUCTION RATIO: 10:1 IMAGE PLACEMENT: IA (IIA) IB IIB

DATE FILMED: 5/19/97 INITIALS: TLM

TRACKING # : 22114

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

308
Z
Box 95

Can the Church be Trusted With Money?

By
Guy Morrison Walker

DEC 6 1922

CAN THE CHURCH BE TRUSTED WITH MONEY?

The churches of America are taking advantage of the great increase in wealth in our country and of the liberal disposition of our people to secure for themselves property and sums of money that they never before dreamed that they would be able to possess.

Bishop McConnell of the Methodist-Episcopal Church, in a recent address, stated that the Methodist Church had collected in its centenary drive just completed a sum amounting to over Twenty Million Dollars, and pledges assuring the collection during the next five years of approximately One Hundred Fifteen Million Dollars more. All "for the purpose of being preserved as endowment," and the rents, interests and profits only to be spent in church work. In addition to these sums raised by and pledged to the Methodist Church for endowment purposes, Bishop McConnell stated that the sums raised by and pledged to the Presbyterian and Baptist Churches "will place in the hands of these churches within the next five years more than Three Hundred Million Dollars. All pledged to be used for endowment purposes."

Now the givers, and those who have promised to give, within the next five years, these enormous sums, have done so on the solemn promise of those in control of these churches that the principal of these sums will be sacredly preserved intact, invested, and only the interest, rents and profits, from them be spent. In giving, and in promising to give, these enormous sums, they have relied on the good faith of the promise given by their respective churches to so handle these sums, believing that the interest, rents and profits, from these sums will enable their respective churches through the centuries to come to propagate their ideas, to subsidize education of their particular kind, and disseminate the religious ideals of their particular sects. If they did not believe that their gifts would be so preserved and that by giving they would make possible a continuous propaganda and educational process through the years to come, it is quite certain that they would not give or promise to give

any such sums as they have. In view of this fact and of the promises and representations made by the churches in order to secure these gifts and pledges, it seems important for those, who propose to contribute to their churches these enormous sums to make some investigation of the attitude of the churches on the subject of endowment funds and investments. Before completing their promises and paying over to the institutions of the church these enormous sums, they should find out whether there is any reasonable prospect of the churches observing their pledges regarding the conditions under which these funds have been given or pledged.

It is one of the unfortunate things in church history that the church has never considered itself bound by its pledges. For ages the churches have been soliciting and receiving gifts under similar pledges, that the gifts would be preserved inviolate as endowments and only the income therefrom be used in church work and church propaganda. But where are these millions and hundreds of millions that have been given to the churches through the past hundreds of years? Almost all squandered! The endowments of centuries have been dissipated by professedly religious men, who have never hesitated to violate the solemn promises given by them or in their behalf, and to plunder and spend the funds raised in consideration thereof.

I have heard church men declare that no one had a right to expect the church to respect its pledges and promises in money affairs.

I remember one pious gentleman, the treasurer of a large church fund, to whom had been handed a specific sum of One Hundred and Thirty Thousand Dollars as an endowment fund for a specific object, saying in extenuation of the dissipation of this endowment fund by his church institution, when it was discovered that the funds were gone, that *the church had needed the money and so he had spent it.* In reply to further questions as to how he expected to pursue the object which the fund was intended to endow, he replied, *"It is the Lord's work. He will provide."* And this was all the satisfaction that the givers of the endowment fund ever got out of him or the church institution to which the funds were given.

In addition to the experiences of the past in connection with endowments administered by church organizations and churchmen, there is another reason that should move the givers and pledgers of these church funds to make the preservation of these funds outside of church control, a condition precedent before completing the payment of their pledges, and that is, the attitude of the church at the present time on the subject of property.

Bishop McConnell in his address, to which reference has heretofore been made, expressed apprehension for the future of the church as a spender of the enormous sums of money, which he said the churches expected to have the spending of in the next few years.

This is not surprising considering that he professes to be a follower of one who advised his disciples to put nothing in their purses but to start out on their missions with neither money nor food nor changes of raiment.

If the leaders of the church in America are distressed now because they find that the church is to be a possessor of and a spender of money, they should have thought of it before they, and their satellites, became so busy soliciting and collecting money in such enormous amounts.

But the startling thing disclosed by Bishop McConnell's address was the fact that he did not comprehend the significance of the pledges and conditions under which these funds had been given and promised to the church. His very language indicates that it was not the income from these sums that he contemplated spending but the principal sums themselves. His attitude and that at least of many of his associates (for it is reported in the daily press that his remarks were greeted with great applause), is that if the church undertakes to invest safely the funds given and pledged to it for *endowment purposes,* he is afraid that the church will be compelled to support the existing social and economic system, of which he distinctly disapproved. He called attention to the fact that in order to invest the funds pledged to it for endowment purposes, the church must recognize the existing economic system, and that then the preservation of the moneys invested under the present

economic system will require the church to support and sustain the present system which, he said, is under attack and will be under attack for years to come *"at the point of interest, and rents, and of profits, and things of that kind."*

In his attack on the present social and economic system, Bishop McConnell is apparently supported by the Board of Bishops controlling the Methodist-Episcopal Church, for he prepared and induced the Board of Bishops of that church to issue a Pastoral Letter to the Church last Fall, in which these Bishops declare that they favor *"an equitable wage for labor which shall have the right-of-way over interest, rents and profits."* Neither Bishop McConnell in his address before the Interchurch Conference nor his associates of the Methodist Board of Bishops attempt to say what an equitable wage would be. They ignore, or else are ignorant of the fact, that no wage can be equitable which is uneconomic. Apparently, they do not know that the first necessity for labor to get any wages at all is that the industry at which they work must live. When the Board of Bishops of the Methodist Church propose that wages shall have the right-of-way over rent, interest, and profits, they are proposing nothing less than that the principal, or plant itself, shall be plundered to pay wages that are not earned, and that, therefore, cannot be paid out of profits. This is nothing less than what the Bolsheviks in Russia are now doing, and the result here economically would be exactly the same as it has been in Russia; the death of all industry and the total suspension of all wages, equitable, or any other kind. The Bishops may be able to see the ethics of such an outcome but to the ordinary business man is incomprehensible.

If the Methodist Church approves the Pastoral Letter issued by its Board of Bishops, and thereby goes on record as declaring that, interests and rents and profits and things of that kind are ethically wrong, then the Methodist Church, and every member of it, HAS BEEN GUILTY OF FRAUD AND OF OBTAINING MONEY UNDER FALSE PRETENSES from those from whom it has solicited and received funds, under the pledge that the principal of these funds would be invested and preserved as endowment and only the interest, rents and profits therefrom be spent.

The Bishops of the Methodist Church have not hesitated to solicit wherever they could, contributions to be used as endowment funds for the church and for the church institutions, and they have not hesitated to give the pledge that the principal sums so given to the Church would be preserved inviolate and that only the income therefrom would be used for church work and propaganda. Now income can only be derived from "interest or rents or profits or things of that kind."

What can the Bishops of the Methodist Church, and their associates, say in behalf of their consciences, if while soliciting these contributions for endowment funds they had a mental reservation on the subject because of their disapproval of the investment of these funds and of the receipt of interest, or rent, or profits, therefrom? Can it be that while giving these very pledges to preserve these funds inviolate and to use only the income therefrom, that they had already secretly planned to violate these pledges and promises, and to spend and dissipate the principal sums, which they had promised to keep inviolate, because they disapproved of interest, and rents, and profits, and things of that kind?

There can be no doubt but that the Three Hundred and more Millions of Dollars raised and pledged to be paid to the Methodist, the Presbyterian and Baptist Churches, under their promises to preserve this money as endowment, will be spent in utter violation of the promises that they will be so preserved, just as have other funds been spent and dissipated by the churches in spite of the terms and conditions under which they were given, unless the givers and the promisers protect their funds by independent action, and refuse to pay their pledges until adequate provision outside of church control is made for the preservation of the funds.

Certainly the attitude of the Methodist Church as indicated by the letter issued by their Board of Bishops, by the addresses of Bishop McConnell and one Harry Ward, who are acting as their spokesmen in such affairs, is such as to warrant everyone, who has

promised to give funds to any institution of the Methodist Church, to demand that the church define its attitude on the subject of property, and of interest, and rents, and profits, and things of that kind, before they make any further payments to it of moneys pledged to be kept for endowment purposes.

In view of the strange economics and still stranger ethics contained in their Pastoral Letter, it would be surprising if the Board of Bishops of the Methodist Church does not take these funds, which have been given to the church for endowment purposes, and (because they do not approve of interests, and rents, and profits, and other things of that kind, and do not intend that their church shall be put in the position of being compelled to support and defend the existing social and economic system), establish church industries of their own, based and operated on the "ethical" principles set up in their Pastoral Letter. I say "ethical" because it would be unfair to designate such principles as economic or business-like.

The Board of Bishops say that they believe in giving wages the right-of-way over interest and rents and profits, and so when they establish these church industries to be operated in accordance with their ethical and economic ideas, they will, of course, pay an equitable wage to their employees, in spite of the fact that there should be no profits, and they will continue to pay these "equitable wages," until the endowment funds have been dissipated.

When these church businesses are in full running order, it will be necessary for the Members of the Board of Bishops to insist on having themselves put on the payrolls of these church businesses, and of having their episcopal salaries classified as wages, so that they will be able to get their pay out of the principal of the endowment funds, along with other "laborers," for there will, of course, be no interest, or rents, or profits, from these businesses out of which to pay salaries.

In conversation recently with one of the Committee that undertakes to represent the Methodist Church in these matters, I protested against the foolish, uneconomic, and unethical statements on

this subject, that had been issued by his Committee in behalf of the Church. In reply he protested that I did him and his associates an injustice, that they believed in paying interest on capital but did not believe in paying dividends on stock! He declared that in this position to which he admitted they had committed the Methodist Church, they were sustained by the Quaker Manufacturers of Great Britain. In reply, I asked him, if he knew what he was talking about? He declared that he did. Then I asked him, what he proposed to pay to the fellow, whose capital was entirely represented by stock? He said that he did not understand what I was talking about. I asked him if he did not know that there were many businesses that had no borrowed capital and I wanted to know whether they intended to discriminate against the man who used his own capital in his business, in favor of the man who borrowed and used the capital of others? He said he was afraid that he would have to study the matter before he could answer. Such ignorance is almost unbelievable!

I have referred herein chiefly to the Methodist Church because it is the one with which I have the closest contact. The teachings of so-called "professors of sociology and of economics" in church-schools have been false and unsound. It is a safe statement to make that every church in America is so afflicted with ignorance of economic facts, so ignorant even of the vocabulary of business, that for the people of this country to entrust to their management the sums now being raised, and which are already pledged, would be the height of folly on the part of the givers. The squandering of these enormous funds by men ignorant of the meaning of money or property; ignorant of the principles on which business must be conducted; by men declaring themselves in advance as disapproving of interest and rents and profits, will bring on such scandals in connection with church finance and church institutions, as will forever destroy them in this country.

It is well known that the fundamental trouble which brought on the revolution in the Philippines while under Spain, and the present revolution in Mexico, was that the Church in Mexico and in the

Philippines had accomplished what the Church in America is now undertaking, namely, the possession of great wealth and the control over the people thereby, until they finally resented it to the extent that they almost destroyed the church and re-possessed themselves of the lands that the church through centuries had taken from them. Our American churches should know better than to attempt to follow in the steps of the Catholic Church in Europe, in Mexico and in the Philippines. The clamor against the exemption of church property from taxation is already becoming insistent. With the increase of church wealth, the attack on it will sooner or later be successful. For the church to attempt to amass wealth in a Republic like ours will sooner or later invite the attack of the people and the destruction of the church, as it has been destroyed in Mexico, or like the Catholic Church in Europe, it will be ousted from its possessions because of its failure to appreciate its place in the life of the people.

GUY M. WALKER,
924 West End Avenue,
New York City.

March 15th, 1920.

MSH 22114

END OF
TITLE